SC Department of Employment and Workforce NEWS RELEASE

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SC DEW Reminds Filers of Free File Alliance

Columbia, SC...Current Unemployment Insurance beneficiaries who have earned less than \$58,000 in 2010 may be eligible to electronically file both their federal and state returns for free using the Free File Alliance. This free electronic filing and tax preparation initiative is offered through a public-private partnership between the state and private-sector software companies.

At least 50 percent of SC taxpayers are eligible to participate in the Free File program by meeting the income threshold of \$58,000 or less--an amount that is higher than the SC per capita income. In addition, eligibility requirements for free file status exist for taxpayers 65 or older as well as for students.

Free File allows qualified taxpayers to prepare and file federal and state returns at the same time with no cost or hidden fees. Taxpayers filing electronically may receive a faster refund and, when choosing direct deposit, refunds can be received in as little as 10 days from the date of filing.

Taxpayers also benefit from Free File's automatic check for accuracy. The participating software vendors constantly update their programs providing up-to-date information to accurately complete returns. Free File is user-friendly, completely paperless, safe and secure. Tax return information is protected through encryption. Companies offering the Free File program must secure third-party privacy and security certification, as well as comply with all federal rules and regulations on taxpayer privacy.

Free File Alliance

The Free File program is operated by the state and the Free File Alliance. The Alliance is a consortium of tax preparation software companies. Each company sets its own criteria for who can use the service. The Free File Alliance selects its own membership, and all members must meet federal and state standards for security and privacy. For more information about the Free File Alliance please visit (http://wdr.doleta.gov/directives/attach/TEN/ten2010/TEN22-10Ch1a1.pdf)